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SIPDIS

TO PEACE CORPS

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TAGS: PGOV PREL PINR PTER KDEM EAID BG
SUBJECT: BANGLADESH ELECTION: A WATERSHED?

REF: A. DHAKA 1357 _B. DHAKA 1358

Classified By: Ambassador James F. Moriarty. Reasons: 1.4 (b) and (d)

SUMMARY

11. (C) The Awami League's landslide victory in Parliamentary elections on 12/29 represented a stunning rejection of its rival, the Bangladesh Nationalist Party (BNP), which faced widespread accusations of corruption and misrule during its 2001-2006 government. Should Awami League President Sheikh Hasina make good on her promise to clean up Bangladesh's historically graft- and violence-plagued politics, the election could prove a watershed toward better governance of this critically important, predominantly Muslim nation of 150 million people. In the coming days, Embassy Dhaka will urge Awami League leaders to aggressively pursue an agenda to promote political reform, including giving the opposition a role in government. We also will provide suggestions as to how the USG can help Bangladesh seize the opportunities associated with the return of democracy.

A VOTE AGAINST THE BNP

- 12. (C) The Awami League swept 230 seats out of 299 contested, according to unofficial final results reported by the reliable bdnews24.com news service. It said the BNP won just 29 seats, a mind-boggling drop from the 195 seats it captured in the 2001 election. Voters rejected nearly all national BNP leaders who ran for Parliament. Only three nationally prominent BNP figures won: Chairperson Khaleda Zia, who won three seats (Note: Candidates can run for up to three seats. By-elections will be held to fill two of the seats she won. End note.); Salauddin Quader Chowdhury, her parliamentary affairs adviser, who won one seat and lost another; and Vice Chairman M.K. Anwar. (Note: Earlier reporting based on incomplete returns said Anwar appeared headed for defeat. End note.) Voters rejected many party figures accused of corrupt activities during the BNP's last tenure in office, including several whom the outgoing Caretaker Government jailed on graft accusations.
- 13. (C) During pre-election reporting trips around the country, EmbOffs heard several sources predict that recent, widely reported allegations of corruption by Khaleda Zia's youngest son in a deal involving Siemens would remind voters of the endemic graft for which her administration became known. Many Bangladeshis reviled her eldest son, Tarique Rahman, who reputedly wielded great power under his mother's rule to win favors for himself and enrich his cronies. The Caretaker Government jailed both sons on corruption charges,

but courts later freed them to seek medical treatment overseas. BNP Joint Secretary General Nazrul Islam Khan told PolOff in a brief election post-mortem that complaints of corruption during the 2001-2006 adminstration contributed heavily to the defeat.

¶4. (C) The electorate also may have tired of the BNP's constant trashing of the military-backed Caretaker Government, which came to power in January 2007 to end months of political violence, for imposing a state of emergency. In recent weeks, public polling showed an overwhelming majority of Bangladeshis believed the Caretaker Government had succeeded in its main task, namely ensuring the 12/29 Parliamentary elections would be free, fair and credible. (Note: Domestic and international election observers in their initial read-outs reported only minor irregularities and said the vote was credible. End note.) Bangladeshis also applauded Caretaker Government actions to clean up corruption although results of those efforts were mixed.

AWAMI LEAGUE WIN: GREAT OPPORTUNITY, GREAT RISK

15. (C) Awami League leaders have vowed to continue efforts to fight corruption, even though the Caretaker Government had detained Sheikh Hasina on graft charges. Some of the party's winning candidates have highly tainted reputations as well. The party has promised to give the BNP a meaningful role in government in what would be a huge break from Bangladesh's past winner-take-all politics. Although by 1330 local time on

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- 12/30 Sheikh Hasina had yet to give a victory speech, her supporters appeared to be heeding her call not to go on the rampage in celebration of the historic victory.
- 16. (C) Questions remain, however, about how magnanimous the party will be. In 1975, former Awami League leader and Sheikh Hasina's father, Sheikh Mujibur Rahman, tried to create a one-party state. In 1996, when the Awami League was voted into power with Hasina at the helm, she urged other parties to join her government as junior partners. AMA Muhith, a winning Awami League candidate who is seen as a potential finance minister, told PolOff he was dismayed the margin of victory was so huge. He said landslide victories had not augured well for Bangladesh in the past and tended to marginalize losing parties, which were needed to maintain a viable opposition.
- 17. (C) While the Awami League may nonetheless extend an olive branch to the BNP, it is unlikely to do so to Bangladesh's leading Islamist party, Jamaat-e-Islami, which won just two seats compared with the 17 captured in 2001. The two top leaders of Jamaat, which is the main BNP ally, lost their races. Nazrul, the BNP joint secretary general, acknowledged the branding of Jamaat leaders as "war criminals" for siding with Pakistan in Bangladesh's war for independence was effective, particularly among young voters. It is not clear how Jamaat, which has been committed to democracy in promoting its Islamist philosophy, will respond to its election debacle.

CONCLUSION: THE USG MUST GRASP THE HOUR

18. (C) If nothing else, the Parliamentary vote was a loud cry from Bangladeshis that they were tired of their country's dysfunctional politics as usual. Post plans to underline this message in conversations with Awami League leaders in the critical coming days. The USG should offer whatever assistance possible to encourage and assist the Awami League to make good on its promises to fight graft and to promote a new political atmosphere of cooperation. A more stable

democracy will make it easier for the USG to work effectively with Bangladesh to fight terrorism in South Asia, a task of even greater urgency after the recent carnage in Mumbai. We plan to seek additional USG funds to move important agenda items forward that advance democracy, development and the denial of space to terrorists in Bangladesh. Post also will maintain close contact with Jamaat to encourage it to continue to pursue its Islamist agenda through non-violent, democratic means despite its thumping at the polls. And finally, in the coming days, we will provide additional thoughts as to how the USG can best seize the new opportunities in Bangladesh to secure long-term U.S. interests.

MORIARTY